

HUTT CITY COUNCIL

WELLINGTON REGIONAL STRATEGY FORUM

Minutes of a meeting held in the Council Chambers, Administration Building,
Hutt City Council, 30 Laings Road, Lower Hutt, on
Wednesday 16 August 2006 commencing at 8.40am

<u>PRESENT:</u>	Mr M McCaw (Chairperson) (from 8.42am)	
Greater Wellington Regional Council	Cr I Buchanan	Cr C Turver (Alternate)
Hutt City Council	Mayor D Ogden (until 9.50am)	Cr J Baird
Kapiti Coast District Council	Deputy Mayor A Chapman (Alternate)	Cr G Strachan
Porirua City Council	Mayor J Brash	
Upper Hutt City Council	Mayor W Guppy	Cr P McCardle
Wellington City Council	Mayor K Prendergast (Deputy Chairperson)	Cr A Foster (from 9.10am)
Wairarapa Constituency	Mayor R Francis (Masterton District Council)	

APOLOGIES: Cr F Wilde (GWRC Representative), Cr E Murrell (PCC Representative), Mayor A Milne (KCDC Representative), Mayor A Staples (SWDC Alternate) and Cr A Shaw (WCC Alternate) submitted apologies for the meeting, and Cr A Foster (WCC Representative) submitted an apology for lateness.

IN ATTENDANCE:

Project Office	Mr G Spargo, Project Director Ms V McKevitt, Project Administrator
Greater Wellington Regional Council	Mr D Benham, Chief Executive Ms J Davis, Divisional Manager, Transport Policy and Strategy

Mr N Corry, Divisional Manager,
Environment Management

Hutt City Council

Mr R Hart, Chief Executive
Ms K Kelly, General Manager Development
Services
Mr D Kelly, General Manager City Services
Mr T Stallinger, General Manager Business
Services
Mrs JE Stevens, Manager Secretariat Services

Kapiti Coast District Council

Mr M Dacombe, Chief Executive
Dr G Ferguson, General Manager Strategy
and Partnerships

Porirua City Council

Dr R Blakeley, Chief Executive
Ms S Veart, General Manager Strategic Policy

**South Wairarapa District
Council**

Mr G Page, Chief Executive

Upper Hutt City Council

Cr N Gillies (Alternate)
Mr M Pedersen, Chief Executive
Ms D Meredith, Director of Strategy and
Planning

Wellington City Council

Mr G Poole, Chief Executive
Ms K Wallace, Chief Operating Officer
Mr P Desborough, Manager, Strategy Unit

**Positively Wellington
Business**

Ms S Reynolds, General Manager Investment
Ms C van Opdorp, Project Manager

Ara Tahi

Mr I Puketapu

PUBLIC BUSINESS

1. APOLOGIES

RESOLVED:

Minute No. WRSF060801

“That the apologies received from Cr F Wilde (GWRC Representative), Cr E Murrell (PCC Representative), Mayor A Milne (KCDC Representative), Mayor A Staples (SWDC Alternate) and Cr A Shaw (WCC Alternate), and the apology for

lateness received from Cr A Foster (WCC Representative), be accepted and leave of absence be granted."

Mr McCaw joined the meeting at 8.42am.

2. PRESENTATION BY MINISTRY OF ECONOMIC DEVELOPMENT

Mr L Holden, Deputy Secretary - Industry and Regional Development, made a presentation supporting the WRS Forum's development of a regional strategy and the work done with central government, in particular NZTE. He commented that Economic Transformation is one of the government's three key themes in its national agenda, and that a key part of the WRS Committee's job would be to ensure that the Wellington region has a business environment that can grow and retain globally competitive firms. He noted that regional economic development is a part of most OECD countries' approaches to economic development, with an increasing focus on entrepreneurship and innovation, and highlighted the importance of focusing on such factors as quality of life, scale, linkages and specialisation when considering international competitiveness. In closing Mr Holden advised that the Minister's speech at the forthcoming EDANZ Conference would most likely highlight that the approach that the WRS Forum was taking with regard to combined regional leadership was the way of the future.

3. MINUTES OF PREVIOUS MEETING

Minutes of the meeting held on 28 July 2006 - circulated pages 1 - 4.

RESOLVED:

Minute No. WRSF060802

"That the minutes of the meeting held on 28 July 2006 be confirmed as a true and correct record."

4. WRS CONSULTATION ON SCOPE AND FUNDING

Circulated pages 5 - 25.

The Chief Executives of Wellington City Council and Greater Wellington Regional Council tabled a paper, developed by the Chief Executives Group, entitled "Review of EDA Funding August 2006" and outlined their recommended transition to a funding allocation model based on capital value.

Cr Buchanan advised that Greater Wellington Regional Council had considered the full range of options at a workshop held on 15 August, without seeing the recommendation of the Chief Executives, and came to

almost the same conclusion. He spoke in support of the capital value allocation model and a logical transition to that model.

Mayor Brash highlighted the need to be prudent and that a \$500,000 increase each year for four years is a big step up.

Mayor Guppy referred to a recent newspaper article in which Cr Buchanan was quoted as having commented on tourism promotion, development of major subdivisions and increasing the power of the Regional Council, in the context of the Wellington Regional Strategy.

Cr Buchanan advised that he was completely misquoted in the article, and reiterated that there is no direct involvement in tourism or in subdivisions. The Chairperson added that the press release from Greater Wellington was accurate, and that he has spoken to the reporter involved who had a very poor understanding of the issues and advised him that the Strategy would equalise power in the region.

Mayor Guppy also commented on statements by the Mayors of Hutt City Council and Wellington City Council regarding roading issues and their disagreement with the prioritisation undertaken in the Regional Land Transport Programme, believing such statements lead to suspicion and distrust.

Mayor Francis expressed confidence that the keeper committee would deal with these issues but highlighted that the councils involved do not want to see the scope of activities widen from what has been discussed.

Cr Foster joined the meeting at 9.10am.

Mayor Brash and Cr Strachan commented on the adverse reaction to the Greater Wellington article in their respective areas.

The Chairperson advised that he would be meeting Tim Pankhurst on 21 August to work through the scope of the new Greater Wellington Regional Council WRS Committee and the overall strategy.

Responding to a question from Cr McCardle regarding the multi-lateral agreement, the Project Director advised that the framework for the multi-lateral agreement could be drafted but the document could not be finalised until the public consultation process has been completed. The Chair added that the information to be included in the multi-lateral agreement would be subject to the public consultation process, with \$4M proposed for 2007/08 and between \$4M and \$5M proposed for the subsequent years. He commented also that the triennial agreement would be developed during the consultation process.

Mayor Prendergast noted the hard work done over the last two years and the agreement on a governance structure reached at the previous meeting. She supported the transition to a funding allocation model based on capital value as recommended by the Chief Executives, subject to a proper costing being done. She also noted the desire on the part of Positively Wellington Business to keep doing what they do, which may require some of their work to be picked up elsewhere.

Mayor Ogden asked if a territorial local authority would still be rated if it did not wish to be involved. He noted that the figures are indicative only and that his Council had not met to discuss these but the quantum was of concern, and indicated that he would support the matter going out for consultation but would have to discuss it with Council.

The Chairperson confirmed that the figures are indicative and that the Chief Executives consider \$4M should be the baseline.

Responding to the question from Mayor Ogden, Mr Buchanan advised that Greater Wellington was being asked to strike a regional rate for the Regional Strategy and that the regional rate would be struck over the whole region.

Mayor Guppy believed this would create another layer of taxation with questionable benefit, and commented on the activities of Positively Wellington Business.

Cr Foster commented that the councils represented comprise one region and the benefits will go to citizens across the region as a whole.

Mayor Brash requested and was given an assurance that the activities identified in Appendix 1 of the report are not set in concrete but provide guidance to the WRS Committee, and that the Committee could consider a range of activities raised by the Chamber of Commerce and other parties when considering this Appendix.

The Chairperson noted that the terms of reference were originally to finalise the Strategy and take this to the councils for approval but what is now suggested is handing the consultation and finalisation aspects over to the keeper committee.

Mayor Francis identified that there will be some challenges for the three Wairarapa councils going forward but supported moving on with this and believed there would be the ability through the next process to have input on how the Strategy moves forward.

Cr Baird believed it was important to cap the expenditure and that \$5M was a responsible cap. She asked that the keeper committee undertake a review of the current activities carried out by Positively Wellington Business to determine that these are appropriate.

Cr Strachan expressed concern over comments made regarding Positively Wellington Business. He noted that the paper talks about government assistance and funding and asked where this would fit.

The Chairperson advised that government funding would go on top of the figures presented, and noted that the current activities of Positively Wellington Business need to be better understood to determine what should be retained and what should be added. He noted that the Chief Executives suggested a cap of \$5M, and that the \$3.4M baseline figure assumes the level of government funding that Positively Wellington Business currently receives. He commented that the EDA Board would decide on which activities to keep, based on the advice of the keeper committee.

Mayor Ogden sought advice from the Chairperson as to how his suggestion that the EDA funding be capped at \$4m be incorporated in the resolution. The Chairperson reiterated that in the consultation document it was proposed that the 2007/08 funding would be capped at \$4m with subsequent years being between \$4m and \$5m. The Chairperson asked Mayor Ogden if his concern could be met by noting his request for a \$4m cap for years 2008/09 and 2009/10 in the minutes. Mayor Ogden agreed that this would be an appropriate course of action.

MOVED: (Mayor Francis/Mayor Prendergast)

“That:

- (1) the report be received;
- (2) Greater Wellington Regional Council be advised the WRS Forum confirms its previous request of 28 July 2006 seeking initiation of a Local Government Act 2002 ‘statement of proposal’ to enable finalisation and adoption of the Wellington Regional Strategy;
- (3i) the scope of works and initiatives set out in Appendix 1 of the report be endorsed for consideration by the Greater Wellington Regional Council WRS Committee, noting that final selection will be impacted by available funding levels;
- (3ii) the WRS funding ranges contained in section 4.1.7 of the report be endorsed for consideration by the Greater Wellington Regional

Council WRS Committee as the basis for public consultation on the Wellington Regional Strategy;

- (3iii) the WRS Forum identify its preferred funding allocation model in accordance with the distributed paper "Review of EDA Funding August 2006" using the first table for 2007/08 and the second table for 2008/09 and 2009/10 (see consolidated table below), subject to confirmation of the absolute dollars, and recommend that option to the Greater Wellington Regional Council WRS Committee for further detailed evaluation work;

Transition to CV's	Currently rated by TLA's	WCC no change, pro rata remaining budget on CV's	Based on CV	Based on CV
	2006/07 \$3,483 \$000's	2007/08 \$4,000 \$000's	2008/09 \$4,500 \$000's	2009/10 \$5,000 \$000's
Wellington City	2,261	2,261	2,191	2,435
Lower Hutt City	441	573	761	845
Upper Hutt City	106	206	273	303
Porirua City	221	250	332	369
Kapiti Coast District	100	342	454	504
Masterton District	229	175	232	258
Carterton District	40	68	91	101
South Wairarapa District	85	125	166	185
Tararua District	0	0	1	1
District-wide rates	3,483	4,000	4,500	5,000

- (3iv) the resolutions of the WRS Forum be commended to the Greater Wellington Regional Council WRS Committee and inform its ongoing stewardship of the next phases of the Wellington Regional Strategy process."

Mayor Ogden advised that he had to leave the meeting but asked that his views be recorded in opposition to anything other than a \$4M cap and consultation up to \$5M.

Mayor Ogden left the meeting at 9.50am.

AMENDMENT MOVED: (Mayor Guppy/Cr McCardle)

“That the current District-wide rates figure of \$3.4M be retained as the cap in the funding allocation model.”

Cr McCardle advised that he opposed the new structure being set up and the extra rating and taxation involved, and expressed concern that Greater Wellington Regional Council would have greater control over greenfield development in Upper Hutt.

The amendment was declared LOST on the voices.

RESOLVED: (on the voices)

Minute No. WRSF060803

“That:

- (1) the report be received;*
- (2) Greater Wellington Regional Council be advised the WRS Forum confirms its previous request of 28 July 2006 seeking initiation of a Local Government Act 2002 ‘statement of proposal’ to enable finalisation and adoption of the Wellington Regional Strategy;*
- (3i) the scope of works and initiatives set out in Appendix 1 of the report be endorsed for consideration by the Greater Wellington Regional Council WRS Committee, noting that final selection will be impacted by available funding levels;*
- (3ii) the WRS funding ranges contained in section 4.1.7 of the report be endorsed for consideration by the Greater Wellington Regional Council WRS Committee as the basis for public consultation on the Wellington Regional Strategy;*
- (3iii) the WRS Forum identify its preferred funding allocation model in accordance with the distributed paper “Review of EDA Funding August 2006” using the first table for 2007/08 and the second table for 2008/09 and 2009/10 (see consolidated table below), subject to confirmation of the absolute dollars, and recommend that option to the Greater Wellington Regional Council WRS Committee for further detailed evaluation work;*

<i>Transition to CV's</i>	<i>Currently rated by TLA's</i>	<i>WCC no change, pro rata remaining budget on CV's</i>	<i>Based on CV</i>	<i>Based on CV</i>
	2006/07 \$3,483 \$000's	2007/08 \$4,000 \$000's	2008/09 \$4,500 \$000's	2009/10 \$5,000 \$000's
<i>Wellington City</i>	2,261	2,261	2,191	2,435
<i>Lower Hutt City</i>	441	573	761	845
<i>Upper Hutt City</i>	106	206	273	303
<i>Porirua City</i>	221	250	332	369
<i>Kapiti Coast District</i>	100	342	454	504
<i>Masterton District</i>	229	175	232	258
<i>Carterton District</i>	40	68	91	101
<i>South Wairarapa District</i>	85	125	166	185
<i>Tararua District</i>	0	0	1	1
<i>District-wide rates</i>	3,483	4,000	4,500	5,000

(3iv) *the resolutions of the WRS Forum be commended to the Greater Wellington Regional Council WRS Committee and inform its ongoing stewardship of the next phases of the Wellington Regional Strategy process."*

Mayor Guppy and Cr McCardle requested that their dissenting votes be recorded.

Mayor Guppy stated his belief that the decision was a sad one for the Wellington province.

Mayor Brash requested that the tables included in the report be amended to reflect the amended table presented at the meeting.

5. REPORT OF THE PROJECT DIRECTOR

Report No. WRSF2006/08 by Graham Spargo (Project Director) - circulated pages 26 - 28.

RESOLVED:

Minute No. WRSF060804

"That the WRS Forum notes the delay in making a recommendation to member councils on the future of the WRS Forum joint committee until a final decision is taken by Greater Wellington Regional Council as to its acceptance or otherwise of the proposed new economic development activity under the requested LGA s16 statement of proposal."

The Chairperson advised that there would be one final meeting of the WRS Forum and thanked members for their co-operation and contribution, noting that it was a great achievement for the region.

6. **QUESTIONS**

There were no questions.

There being no further business the Chairperson declared the meeting closed at 9.55am.

Mr M McCaw
CHAIRPERSON